

## **IC 20-24-3**

### **Chapter 3. Establishment of Charter Schools**

#### **IC 20-24-3-1**

##### **Sponsor may grant charter**

Sec. 1. A sponsor may grant a charter to an organizer to operate a charter school under this article.

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-2**

##### **Prohibition against sponsor granting charter to for-profit organizer**

Sec. 2. A sponsor may not grant a charter to a for-profit organizer.

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-3**

##### **Organizer's dissolution; disposition of remaining assets and funds**

Sec. 3. The organizer's constitution, charter, articles, or bylaws must contain a clause providing that upon dissolution:

- (1) all remaining assets, except funds specified in subdivision (2), shall be used for nonprofit educational purposes; and
- (2) remaining funds received from the department shall be returned to the department not more than thirty (30) days after dissolution.

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-4**

##### **Proposal to establish charter school; required contents**

Sec. 4. (a) An organizer may submit to the sponsor a proposal to establish a charter school.

(b) A proposal must contain at least the following information:

- (1) Identification of the organizer.
- (2) A description of the organizer's organizational structure and governance plan.
- (3) The following information for the proposed charter school:
  - (A) Name.
  - (B) Purposes.
  - (C) Governance structure.
  - (D) Management structure.
  - (E) Educational mission goals.
  - (F) Curriculum and instructional methods.
  - (G) Methods of pupil assessment.
  - (H) Admission policy and criteria, subject to IC 20-24-5.
  - (I) School calendar.
  - (J) Age or grade range of students to be enrolled.
  - (K) A description of staff responsibilities.
  - (L) A description and the address of the physical plant.
  - (M) Budget and financial plans.
  - (N) Personnel plan, including methods for selection, retention, and compensation of employees.

- (O) Transportation plan.
- (P) Discipline program.
- (Q) Plan for compliance with any applicable desegregation order.
- (R) The date when the charter school is expected to:
  - (i) begin school operations; and
  - (ii) have students attending the charter school.
- (S) The arrangement for providing teachers and other staff with health insurance, retirement benefits, liability insurance, and other benefits.
- (4) The manner in which the sponsor must conduct an annual audit of the program operations of the charter school.
- (c) This section does not waive, limit, or modify the provisions of:
  - (1) IC 20-29 in a charter school where the teachers have chosen to organize under IC 20-29; or
  - (2) an existing collective bargaining agreement for noncertificated employees (as defined in IC 20-29-2-11).

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-5**

##### **Establishment of charter school in a consolidated city; approval of legislative body required**

Sec. 5. (a) This section applies only to a sponsor that is the executive of a consolidated city.

(b) Before issuing a charter, the sponsor must receive the approval of a majority of the members of the legislative body (as defined in IC 36-1-2-9) of the consolidated city for the establishment of a charter school. The sponsor may issue charters for charter schools located in the consolidated city.

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-6**

##### **Granting of charter; provision of noncharter school required**

Sec. 6. (a) Except as provided in subsection (b), if a governing body grants a charter to establish a charter school, the governing body must provide a noncharter school that students of the same age or grade levels may attend.

(b) The department may waive the requirement that a governing body provide a noncharter school under subsection (a) upon the request of the governing body.

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-7**

##### **Revocation of charter**

Sec. 7. The sponsor may revoke the charter of a charter school that does not, by the date specified in the charter:

- (1) begin school operations; and
- (2) have students attending the charter school.

*As added by P.L.1-2005, SEC.8.*

**IC 20-24-3-8****Attendance by more than 50% of students in school corporation; department approval required**

Sec. 8. Before granting a charter under which more than fifty percent (50%) of the students in a school corporation will attend a charter school, the governing body of the school corporation must receive the approval of the department.

*As added by P.L.1-2005, SEC.8.*

**IC 20-24-3-9****Notification of acceptance or rejection of proposal**

Sec. 9. A sponsor must notify an organizer that submits a proposal under section 4 of this chapter of the:

- (1) acceptance of the proposal; or
- (2) rejection of the proposal;

not later than seventy-five (75) days after the organizer submits the proposal.

*As added by P.L.1-2005, SEC.8. Amended by P.L.169-2005, SEC.13.*

**IC 20-24-3-10****Department notification; annual report by department**

Sec. 10. (a) A sponsor must notify the department of the following:

- (1) Receipt of a proposal.
- (2) Acceptance of a proposal.
- (3) Rejection of a proposal, including the reasons for the rejection.

(b) The department shall annually do the following:

- (1) Compile the information received under subsection (a) into a report.
- (2) Submit the report in an electronic format under IC 5-14-6 to the legislative council.

*As added by P.L.1-2005, SEC.8.*

**IC 20-24-3-11****Rejection of proposal; amendment or submission to another sponsor; appeal**

Sec. 11. If a sponsor rejects a charter school proposal, the organizer may:

- (1) amend the charter school proposal and resubmit the proposal to the same sponsor;
- (2) submit a charter school proposal to another sponsor; or
- (3) appeal the decision to the charter school review panel established by section 12 of this chapter.

*As added by P.L.1-2005, SEC.8.*

**IC 20-24-3-12****Charter school review panel; composition; meeting to consider proposal; permissible findings**

Sec. 12. (a) This section applies if the sponsor rejects a proposal.

(b) The organizer may appeal the decision of the sponsor to the charter school review panel established by subsection (c).

(c) The charter school review panel is established. The members of the panel are as follows:

- (1) The governor or the governor's designee.
- (2) The state superintendent, who shall chair the panel.
- (3) A member of the state board appointed by the state superintendent.
- (4) A person with financial management experience appointed by the governor.
- (5) A community leader with knowledge of charter school issues appointed jointly by the governor and the state superintendent.

A member shall serve a two (2) year term and may be reappointed to the panel upon expiration of the member's term.

(d) All decisions of the panel shall be determined by a majority vote of the panel's members.

(e) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the sponsor's reasons for rejecting the proposal. The panel must allow the organizer and sponsor to participate in the meeting.

(f) After the panel meets under subsection (e), the panel shall make one (1) of the following findings and issue the finding to the organizer and the sponsor:

- (1) A finding that supports the sponsor's rejection of the proposal.
- (2) A finding that:
  - (A) recommends that the organizer amend the proposal; and
  - (B) specifies the changes to be made in the proposal if the organizer elects to amend the proposal.
- (3) A finding that approves the proposal.

The panel shall issue the finding not later than forty-five (45) days after the panel receives the request for review.

(g) If the panel makes a finding described in subsection (f)(1), the finding is final.

(h) If the panel makes a finding described in subsection (f)(2), the organizer may amend the proposal according to the panel's recommendations and resubmit the proposal directly to the panel.

(i) If the panel makes a finding described in subsection (f)(3), the proposal is considered conditionally approved. The approval shall be considered final upon delivery to the panel of written notice from the organizer and an eligible sponsor that the sponsor has agreed to serve as a sponsor for the proposal approved by the panel.

(j) Proposals approved under this section shall not be counted under any numerical limits placed upon a sponsor or set of sponsors.  
*As added by P.L.1-2005, SEC.8.*

### **IC 20-24-3-13**

#### **Monitoring of number of schools approved by universities**

Sec. 13. (a) The department shall monitor the number of charter

schools approved by universities.

(b) Not more than six (6) months after twenty (20) charter schools have been approved by universities, the department shall issue a report to the charter school review panel identifying:

- (1) the purpose and organization of all charter schools sponsored by universities;
- (2) the procedure by which charter schools have been approved and monitored by university sponsors; and
- (3) recommendations regarding the future of university sponsorships.

(c) The report issued under subsection (b) shall be submitted in an electronic format under IC 5-14-6 to the legislative council.

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-14**

##### **University sponsors; board of trustees responsible; public meeting required**

Sec. 14. (a) This section applies to university sponsors.

(b) Except as provided in subsection (c), the ultimate responsibility for choosing to sponsor a charter school and responsibilities for maintaining sponsorship rest with the university's board of trustees.

(c) The university's board of trustees may vote to assign sponsorship authority and sponsorship responsibilities to another person or entity that functions under the direction of the university's board. A decision made under this subsection shall be communicated in writing to the department and the charter school review panel.

(d) Before a university may sponsor a charter school, the university must conduct a public meeting with public notice in the county where the charter school will be located.

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-15**

##### **Schools sponsored by mayor of consolidated city; limits on number of schools sponsored**

Sec. 15. (a) This section applies to charter schools sponsored by the mayor of a consolidated city.

(b) The number of charter schools may not be more than five (5) during the 2001 calendar year.

(c) During each year after calendar year 2001, the maximum number of charter schools is increased by five (5).

(d) The limits resulting from subsections (b) and (c) are cumulative from year to year. However, there may not be any accumulation during the period beginning January 1, 2003, and ending December 31, 2005.

*As added by P.L.1-2005, SEC.8.*

#### **IC 20-24-3-16**

##### **Service as organizer and sponsor prohibited**

Sec. 16. An entity or multiple divisions of the same entity may not

serve simultaneously as both the organizer and the sponsor of the same charter school.

*As added by P.L.1-2005, SEC.8.*